

ERICK M. FERRAN, ESQ.
Nevada Bar No. 9554
HITZKE & ASSOCIATES
2030 E. Flamingo Road, Suite 115
Las Vegas, NV 89119
Telephone No.: (702) 476-9668
Facsimile No.: (702) 462-2624
ferranlawoffice@gmail.com
Attorneys for Defendants/Counterclaimants

DANIEL W. GLASSER, ESQ.
Nevada Bar No. 6990
CHIPMAN GLASSER, LLC.
2000 S. Colorado Blvd.
Tower One, Suite 7500
Denver, CO 80222
Telephone No.: (303) 578-5780
Facsimile No.: (303) 578-5790
dglasser@chipmanglasser.com
Attorney for Defendants/Counterclaimants

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

Hoy's Inc., Skill Properties, LLC, James
Massengill, Kaylea Massengill and Haldun,
Inc.,

Plaintiffs/Counter-
Defendants,

vs.

EBJ&F, LLC, Med-Health Pharmaceutical
Products, LLC and Edwin Fujinaga,

Defendants.

EBJ&F, LLC, Med-Health Pharmaceutical
Products, LLC and Edwin Fujinaga,

Counterclaimants,

Hoy's Inc., Skill Properties, LLC, James
Massengill, Kaylea Massengill and Haldun,
Inc., DOES I through X; ROE
CORPORATIONS XI through XX, inclusive,

Counter-Defendants.

Case No.: 2:13-cv-00912-APG-VCF

**JOINT STATUS REPORT AND MOTION
TO EXTEND STAY**

1 Plaintiffs/Counter-Defendants Hoy's Inc., Skill Properties, LLC, James Massengill,
2 Kaylea Massengill and Haldun, Inc. ("**Plaintiffs**") and Defendant/Counterclaimants EBJ &
3 F, Med-Health Pharmaceutical Products, and Edwin Fujinaga ("**Defendants**") respectfully
4 file this Joint Status Report to the Court pursuant to the Court's August 4, 2014 Order
5 granting the Parties' Joint Motion To Extend Stay. The parties also move the Court to
6 extend the stay for an additional 30 days.

7 **STATUS**

8 1. On April 14, 2014, the parties held a private mediation in this matter and
9 reached a tentative resolution of the litigation. As there are two additional lawsuits
10 involving the Defendants in which injunctions had been entered, the parties' agreement was
11 made contingent upon court approval in these separate actions.

12 2. On May 19, 2014, the parties executed a final settlement agreement (the
13 "**Settlement Agreement**"). Counsel for Defendants transmitted the Settlement Agreement
14 to counsel for the Securities and Exchange Commission ("**SEC**"), and both counsel for
15 Plaintiffs and counsel for Defendants communicated with the SEC regarding whether the
16 SEC would object to a request that the court in the SEC litigation approve the payment set
17 forth in the Settlement Agreement.

18 3. The SEC communicated its opposition to the payment proposed in the
19 Settlement Agreement. Consequently, the parties did not move the court in the SEC
20 litigation to approve the Settlement Agreement, and the parties explored other settlement
21 options that might be more palatable to the SEC. The parties have not been able to reach an
22 agreement regarding alternative settlement arrangements.

23 4. The court-ordered accountant in the SEC litigation released a draft report,
24 which as of yet has not been finalized. Defendants' counsel believed that, in light of the
25 report, the court in the SEC litigation would approve the payment set forth in the Settlement
26 Agreement despite any objections from the SEC.

27 5. The parties asked the Court to extend the stay to permit counsel for Plaintiffs
28 to review this draft report. The parties submitted, and the Court approved on August 29,

2014, a stipulated Protective Order, which would allow counsel for Defendants to produce the draft report to counsel for Plaintiffs.

6. On Friday, August 29, 2014, counsel for Defendants finally produced the draft report to counsel for Plaintiffs. Counsel for Plaintiffs has reviewed the report and requests additional time to analyze it and, if warranted by the report, to submit a motion to the court in the SEC litigation.

MOTION

7. Counsel for Plaintiffs would like to carefully analyze the draft report and file a motion in the SEC litigation, requesting approval from that court for Defendants to make the payment set forth in the Settlement Agreement.

WHEREFORE, the parties request that the Court extend the stay of the proceedings for an additional 30 days to allow the parties to file a motion in the SEC litigation.

Respectfully submitted,
By: /s/ Daniel W. Glasser, Esq.
DANIEL W. GLASSER, ESQ.
Nevada Bar No. 6990
Chipman Glasser, LLC
2000 S. Colorado Blvd., Suite 7500
Denver, Colorado 80222
(303) 578-5780

and

MARQUIS AURBACH COFFING.
FRANK M. FLANSBURG III, ESQ.
Nevada Bar #6970
10001 Park Run Drive
Las Vegas, Nevada 89145

Attorneys for Plaintiffs/Counter-Defendants

By: /s/ Erick M. Ferran, Esq.
ERICK M. FERRAN, ESQ.
Nevada Bar No. 9554
Hitzke & Associates
2030 E. Flamingo Road, Suite 115

Las Vegas, NV 89119
Telephone: (702) 476-9668

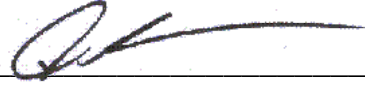
Attorneys for Defendant/Counterclaimants

ORDER

UPON CONSIDERATION of the Parties' Joint Motion To Extend Stay and for good cause shown, it is hereby ORDERED that the Joint Motion is GRANTED.

It is further ORDERED that the parties shall file a Joint Status Report or an Amended Scheduling Order by October 2, 2014.

Dated: September 4, 2014.


United States District Judge